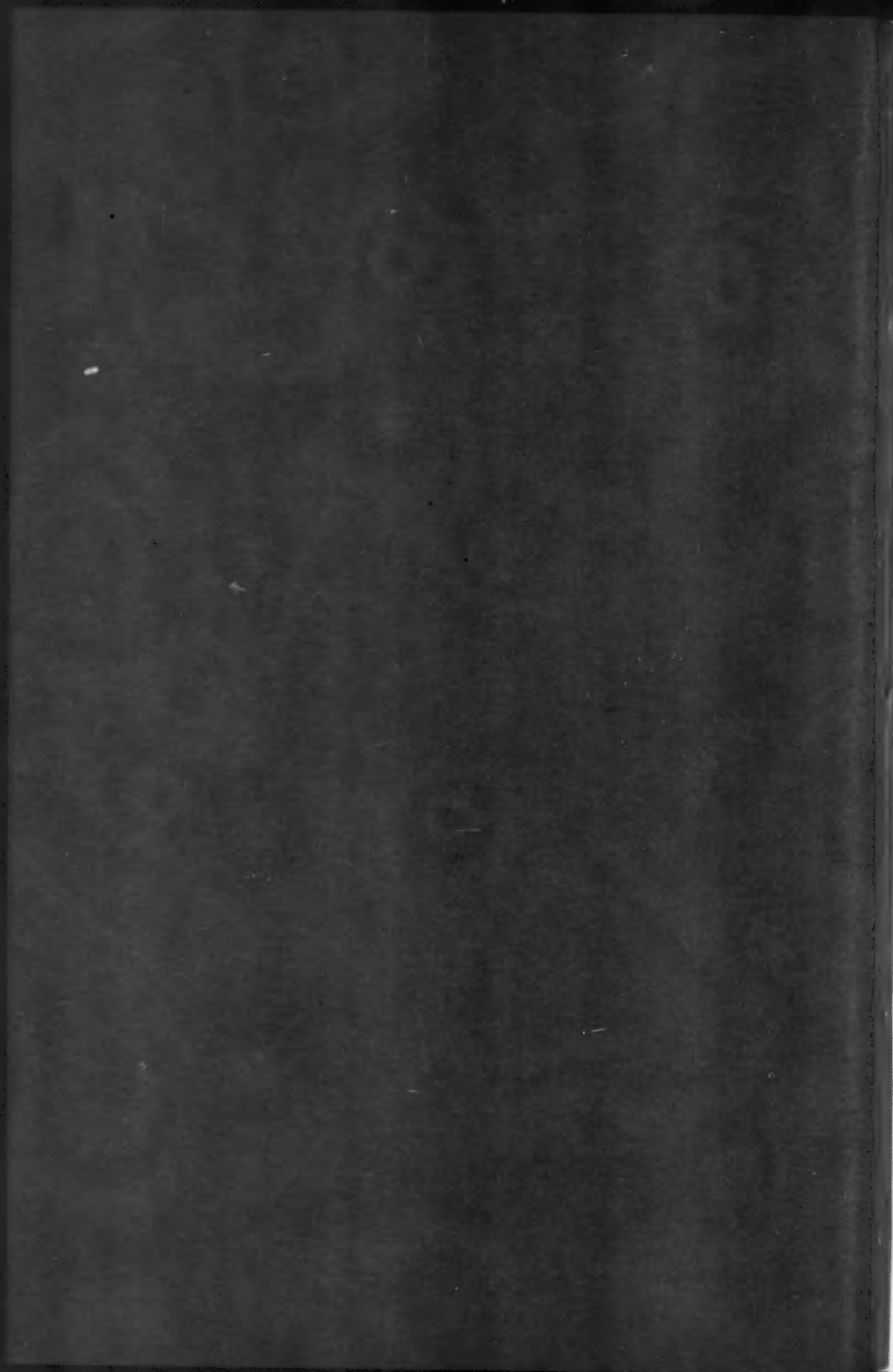

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L. R. B. & M. JOURNAL

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NUMBER TWO

Fundamentals in "Installation Work"

By A. F. Stock

Head of Industrial Accounting Department, New York Office

IT was in the latter half of the eighteenth century that an English professor in his book "The Wealth of Nations" first gave to the world the fundamentals, which later on became our adopted laws of business economics. In this book Adam Smith traced the evolution in the social and business world from the time when one shepherd in the flock became an expert on the making of bows and arrows, and forever after this particular shepherd made bows and arrows only, whereas the experts on making staffs made staffs only, etc. In other words, this began our age of specialization when each man specialized on that particular work for which he was best qualified. Before this era, it had been a case for each man for himself, that is, each man had to provide himself and his immediate family with all the necessities of life no matter how crude his provision.

SPECIALIZATION OF LABOR

It is because of this specialization in labor, each man doing what he could do best, that our present stage of civilization has been possible. This specialization has grown so far that today we have entire communities who are dependent for their very existence upon labor outside of their community. The farmer a hundred miles away grows the vegetables used in our large cities, whereas the farmer thousands of miles away grows the wheat making up our daily source of existence. Our clothing, our furniture, our tools, are made by specialized labor hundreds of miles away. This gradual evolution has woven into our daily lives a system of

factories employing hundreds of men with their management, whose job it is to coordinate the needs of people in one section with the production capacity in another section. The wants of the people must be analyzed, the world must be sold to new ideas, new methods, new goods. Once the sale is made it is necessary for management to build factories, hire workers, produce these products at a legitimate profit in order that capital may be encouraged to continue the expansion in industry. This system has built up specialists in management. We have our sales managers, our production managers, our finance managers and finally our general managers who coordinate all three.

NEED FOR BROAD MANAGERS

More and more our big captains of industry are beginning to realize that this principle of specialization has been carried too far in "management." There is a real dearth of managers who are broad enough and capable of coordinating any industry as a whole. There are plenty of men who know the production end or the finance end or the selling end, but few men who are broad enough to visualize the whole. There have been several magazine articles recently bringing out this fact, that managers although perhaps specializing at first, must forget this specialization in their own line, and train themselves to the broader viewpoints on industry as a whole.

OUTSIDE CONSULTANTS

What has all this to do with our subject? Simply that in the past dec-

ade there has grown up a group of professional men who have made the study of business management an exact science. These men styled themselves at first efficiency men or system men. In later years another group have grown up who call themselves industrial engineers. The function of these men in industry is to analyze a given business and prescribe for its ailments in order to put it on a profitable basis. To do this, they analyze and revise production methods, cost methods, financial policies, sales policies, etc. They act as outside consultants pure and simple, and might be likened to "super-managers." It was never expected that these men would know any particular client's business as well as that client did, but rather that they were to bring to his business the broad knowledge gained in advising and even managing scores of other industries. We might say that their function was to broaden those executives and those businesses which because of the law of specialization mentioned above had grown more or less narrow, and consequently were feeling it in the way of profits. Of course, in addition to this broad gauge service of these outside consultants, they are also called in from time to time to straighten out some particular pay-roll scheme, production scheme, install a cost system, etc.

REASON FOR FAILURES

As in all such work there were a good many failures at first. In fact today the words "efficiency" and "system" cannot be mentioned to some executives without the latter tearing their hair. In the majority of cases, these failures can be traced to the fact that the consultants themselves lacked the broad viewpoint of business as a whole and insisted on installing some of their own theories and methods as for example the installation of a "pet" cost system, production method, etc. Some of these installations were so

unsuitable that the efficiency men got the reputation of doing nothing but installing "red tape." Certain "system-men" after they had made a good installation of some particular method in a given industry, thought that this same method in its entirety could be applied to an entirely different industry or even another industry in the same line. Naturally this did not work out and never will work out. Organizations are different, personnel is different in each factory and the local conditions change. System picked up as a whole and placed in another industry rarely functions satisfactorily. A proper system must be designed to care for the particular needs of the business and this invokes a separate study of each movement.

THE CORRECT CONSULTING PRINCIPLE

The person making this investigation and analysis should place himself in the position of his client. In other words, he should decide what he would do if he were the manager. No one should attempt to install any system work unless they have had practical experience in "line organization work." Professional experience alone is not sufficient. The good installation man should at one time or another in his career have been a cost man working out these systems in an unprofessional capacity, a production manager or a production manager's assistant. It is only through this practical experience that a knowledge of the fundamentals in any given organization is acquired. The really difficult job in all installation work is the answer to this question: "What can I eliminate or how little can I add in order to make this scheme function simply?" It is very easy to criticize the existing methods and prescribe all sorts of new records and new schemes to forever after solve that particular client's troubles. If the man making the installation had to continue to operate his own records for a period of six months after the installa-

tion stage, the writer believes there would be fewer forms and fewer complicated methods installed. It is usually because the installation man himself has no practical experience in a managerial capacity that he installs such complicated procedures which no one ever looks at or uses. We all know the doctor who specializes on the liver, and how he can trace every ailment of the human body to some disorder of the liver. This is because he spends his lifetime on this one subject. The same condition exists with some cost men. They work so long and think so long on the same type or method of a cost system that in their minds it becomes a cure-all for all sorts of conditions and invariably they install it wherever they go. Above all else, system work must be kept as simple as manufacturing operations permit. In fact, a big need exists right now to simplify systems already in effect in a good many industries. In many instances the sudden craving for statistics, graphic charts, types of production schedules, control boards, etc., all sorts of monthly cost statements for the various executives, has resulted in the accumulation of much unessential detail. Instead of simply coordinating the available figures so as to get out better monthly statements, etc., and the data used by the management on significant conditions, complicated methods have been installed for gathering statistics on many matters of relatively little importance.

Another point that must be remembered by the installation man is that the management retaining him usually places implicit faith in his work. Under no circumstances should he jeopardize this faith in him. If the system already there seems sufficiently adequate in his mind, he should state so and do all he can to make it function without adding anything thereto. No busy executive cares to look over reams and reams of figures and statistical

statements, in order to guide his business. What he needs is concise, simple and timely statements which will point to major faults immediately. The installation man should ask himself this question before he attempts any innovations: "Will this new procedure, new form, or method increase production, save money and increase the profits of the concern?" If he cannot answer, "Yes," to this question, the scheme should not be installed regardless of how right it may sound in theory or what fancy talking points may be attached to it.

"How to make the most out of what you have," also should be a thought that every installation man should continually have before him. It is so easy to say, "Now, Mr. Executive, if you only had such and such type of cost system, why your troubles would be entirely over." Yes, but after installing this type of cost system are the troubles over? Is there any assurance that the same organization will carry on a new scheme any better than they carried on the original scheme? Every major change in method must be sold to the organization. It is not meant by this that each little minor step must be sold to every employee, but that the executives must be in sympathy with every new step proposed. Good installations have gone bad because the men making them went ahead on their own initiative and put in what, to their mind, was an excellent scheme for that particular concern without first taking the trouble to convince the organization of the merit of the changes. These men ignored the fact that they would have to leave the work to be carried on by the client's own organization. It should always be remembered that if a new scheme cannot be easily sold there might be something wrong with it. If it cannot be sold at the time of installation it will never be sold afterwards.

Because a client's organization can-

not change its methods over night, an installation, whether cost, production or organization, takes some time. This situation has caused many firms to arrange for an "intermittent consultant" line of service. Under this plan, the consultant makes a preliminary survey, states what he believes is wrong and what can be done to correct the conditions, and then proceeds to effect the corrections on an intermittent basis of a few days or a week, a month, etc. In this way each change is presented to the organization and then they have sufficient time to become acquainted with it and carry it out before another change is instituted.

SIMPLICITY, THE KEYNOTE

Another point that the installation man must continually keep in mind is not to talk in language of Calculus to men who have been accustomed to speaking only in terms of common Arithmetic. Installations have been made repeatedly, in which scores of graphical charts, statistical monthly statements of various kinds were left with executives who had no training in the use of such records. Half the battle in an installation man's work is in selling the present personnel in the client's organization to the new method. If he cannot do this, he had better stop right at this point without carrying on any further.

SYSTEMS MUST BE PRACTICAL

In a recent experience which the writer had in a foundry it was found that the foundry had just installed a new system of cost accounting, namely, the casting of each special order on its own basis. This foundry manufactured some 10,000 different patterns within a year, never making more than 5 castings from a pattern. In fact, 50 per cent. of their work was only for one casting from a pattern. The 10,000 order costs which this concern accumu-

lated during the year were absolutely useless. In quoting on any future work, one never could find which one of the 10,000 orders the future job was going to be like, etc. It was also useless when considered from the viewpoint of factory economy as the executives could not control the cost of any future orders from any knowledge of the past. What this concern needed was a class cost scheme, namely, a cost per pound in each of some 15 classes rather than a detailed 10,000 order "special order cost system." If the man making this installation would have had to operate it after completion he would have seen the error and changed the method.

Numerous examples could be cited to prove the practical knowledge that any man making a system installation should have.

With all the modern appliances on the market, such as mechanical book-keeping machines, mechanical sorting and tabulating equipment, big stationery houses who sell a complete line of printed forms for every function of the business, etc., with all these pitfalls for the manager to fall into, it becomes a question for him of what not to install rather than what he needs to add to his business system.

THE CONSULTANT'S RESPONSIBILITY

The man specializing in costs must see beyond his cost horizon. Otherwise he will think of the industry only in relation to his particular hobby and perhaps install something that no one will ever use. The production man while specializing on production methods must also broaden his horizon in order to avoid saddling a given industry with a very detailed and complicated production method which although logical in every detail is not needed in that particular place. It almost seems today that the statement could honestly be made that most concerns are oversystematized. A poor

(Concluded on page 20)

A Letter from the Antipodes

Mr. P. E. Patrick, the writer of this very interesting descriptive article on Samoa, is a member of the firm of Arcus and Patrick, Public Accountants, Wellington, New Zealand. Early in 1916 he was associated with Mr. G. C. Cooke, of our New York office, on the staff of a firm of public accountants in Wellington, N. Z. Mr. Patrick accepted a Samoan assignment to straighten out the accounting of large German interests there, which had been previously put into liquidation, and left on but a few hours' notice. He remained among the South Sea Islands of the Pacific for six years. In the course of a trip around the world seeing if "anything new" had developed in the accounting profession during that time, Mr. Patrick stopped over in New York for three months and his only regret was that circumstances did not permit of a longer stay.

NEW ZEALAND GOVERNMENT OFFICES

415, Strand, London, W. C. 2.

26th January, 1923.

W. M. LYBRAND, ESQ.,

Messrs. Lybrand, Ross Bros. & Montgomery,

110 William Street,

New York City, N. Y.

DEAR MR. LYBRAND:

In responding to your kind expression of interest in receiving from me for publication in your JOURNAL an account of my experiences in Samoa, I must confess that I am rather at a loss to know just what would interest you most. However, you have asked for my story so I will do my best to tell you such of it as might appear to be interesting to your readers.

Samoa is comprised of a chain of volcanic islands that stretch for some 200 miles diagonally across latitude 14 and longitude 171—being located about two-thirds of the way from San Francisco to Sydney. They are mountainous, but everywhere covered with luxuriant tropical vegetation. They are each circumscribed by coral reefs intermittently broken by "avars," through many of which even rowboats can be navigated only by those with experience and skill. Most

of the Samoans learn how to take their boats through these passages, but it is not without the development of much latent ability and the exercise of nerve and care—in fact, if but a momentary error of judgment be made at a crucial moment, the result is liable to be disastrous.

It may be of interest to remark here that these islands were once known as the Navigator Islands, this name having been given because of the extraordinary ability of the natives to ply their craft.

It appears from tradition that the native came from the Malays about 800 years ago. He is a Polynesian, brown-skinned, well set up and has a dignified bearing. The graceful carriage of the women is especially remarked. (May I forestall ambiguity by explaining that I refer to the "Shanks' Pony" variety.)

Though but a few generations back the Samoan was a veritable warrior he is now peace-loving and charmingly hospitable. To be courteous even to those who do not please him is a code of self-respect. He has always been communistic and therein lies the reason for the visiting European misconstruing evidences of the native's borrowing propensities. He has yet to be educated up (?) to our conception of the responsibilities attending our practice of marketing commodities, but I am now digressing to a pet subject: I must revert to generalities.

European influence commenced in Samoa with the missionaries about 1830. Traders followed closely in their wake, and, in the course of a few decades, a tri-power control of the group was set up by the United States of America, Great Britain and Germany. In 1900 Great Britain withdrew her share in the government and the islands were divided between America and Germany, Germany being allotted the Western group, including the two largest islands, viz: Savaii and Upolu, and America the Eastern portion. Eastern Samoa includes the Island of Tutuila, with its beautiful and splendid harbor of Pago Pago and there the United States Government has established an important mid-Pacific naval base. The only other port used by ocean-going vessels is Apia in the Island of Upolu.

At the outbreak of the European war New Zealand, at the instance of the Imperial Government, sent a military force to German Samoa and occupied it. The Germans did not formally surrender, but they intimated that they would offer no resistance;

so the occupation was effected peacefully. The principal German officials were sent to New Zealand and a British military government set up. In 1920, pursuant to a provision in the Treaty of Versailles, a mandate over Western Samoa was given to New Zealand to take it over and administer it on behalf of the League of Nations. At the outbreak of the Great War, Germany had developed very considerable trading and planting interests and, early in 1916, these firms were put into military liquidation and I was sent over to look at the accountancy side of the job. We closed the trading stores, realized the merchandise, debts, etc., but continued to work the plantations for whom it would eventually concern. Until the end of the war there was no authority for the military government to expropriate these properties: moreover, it would have been bad policy to have discontinued to work the plantations, for not only would the produce have been lost, but the plantations would have rapidly reverted to bush if they had been allowed to remain idle.

In 1918 the writer succeeded to the liquidatorship and in 1920, when these and all other German properties were vested as Crown Estates, he continued the management as Commissioner of Crown Estates.

The principal commercial products are copra (meat of the coconut), cacao (cocoa beans) and rubber. Rubber plantations, however, are not being worked at the present time because the price has slumped below the cost of production in these islands and a rest from tapping does not result in the rapid reversion to bush that applies in the case of coconuts and cocoa trees.

Besides the foregoing, bread-fruit, ese ese (also known as mummy apple, paw paw or papaia), bananas, pineapples, taro, yams and kava are commonly grown.

Kava is the national ceremonial beverage. If taken in large quantities it has an intoxicating effect on the limbs, but does not muddle the brain. The national flower is the hibiscus.

Nature is so very bountiful that, with two days' work each week—and that far from arduous—a Samoan can easily satisfy his simple necessities.

They have a passion for cricket, copied, of course, from the European, but developed to suit their peculiar needs and frame of mind. They use a club-like bat and have only two wickets. There is not much

science in their batting for they seem to find the temptation to slog irresistible. Their field work, however is really excellent. The more expert very often catch a ball on the fly with their back turned to the falling ball.

There are about 33,000 natives in Western Samoa and about 8,000 in the Eastern group. For the most part they live in villages near the sea where they can indulge in bathing, fishing and boating. They are really a very clean people and their native-fashioned houses are very eerie and altogether very suitable for the conditions. To some extent the natives have sought to give European touches to the building of their houses: for example, to roof the building with galvanized iron instead of going to the trouble of thatching it with sugar cane leaves, and to board up the sides of the house instead of plaiting their movable Venetian-shaped blinds, but this aping of the *faa papalagi* (like the European) is really a bad thing and is discouraged by both the missionaries and the government.

About three miles behind Apia and some 500 feet above the sea level is Vaillima, the place so well known to the readers of Robert Louis Stevenson. The house that Mr. Stevenson lived in has been extended and is now the residence of the governor. There is no question about the great writer having endeared himself to the natives. Even today some of the elder Samoans recollect with happy memories their associations with the great Tusitala.

Practically all the natives attend some Christian church and they are very scrupulous in their observance of the Sabbath.

Samoa is without doubt a picturesque country and offers many attractions for both tourist and residents. Perhaps some day in the not distant future some of our readers will have an opportunity of visiting there. If they do, I venture to suggest that they will have a very good time.

There is much more that I could say about the life there, but I think that I have said probably more than you have space to allow to this subject.

With kind personal regards to yourself and such of your staff as I have had the privilege of meeting,

Believe me, yours sincerely,

P. E. PATRICK.

Philadelphia Office Summer School

5th July to 30th November, 1922

By F. C. DENNIS

Note: This supplements an earlier report on the work of the Summer School in previous years.

The Summer School students were mainly graduates of schools of commerce without public accounting experience and juniors from the staff. The purpose of the school is to bridge the gap between the training received in the schools of commerce and the duties of a junior and to lay the foundations for more advanced work. In addition to the subjects discussed later, drills were given in footings and extensions, checking postings, business arithmetic and methods of proof. Reports and working papers were prepared according to the L., R. B. & M. method on regulation stationery. All of the school work has been patterned according to business practices.

The work of the Summer School for 1922 was in the main a continuation of the 1921 course. Accounting forms and records have been added when obtainable because experience shows that the students progress more rapidly and obtain a clearer grasp of the subjects by this laboratory method than by reading and discussing text books. The latter were used mainly for reference.

This report covers mainly the development of the course during this season and the additions made to the school equipment.

Annuities, Etc.—Annuities, sinking funds and present worth cannot be thoroughly understood without the mastery of compound interest. The class was instructed in the methods of calculating compound interest by use of tables, formulæ and logarithms. The present worth of an amount due in the future was found by using the compound amount for the period. The

formula for finding the amount of an annuity was explained by considering the compound interest on \$1 for a given period as the accumulation of an annuity of the simple interest on \$1. The present worth of an annuity was found by calculating the present worth of the simple interest due periodically in the future.

The sinking fund for \$1 was explained as the annuity which at compound interest will amount to \$1 in the given time. A number of problems covering the above subjects were solved by the use of formulæ and logarithms, tables being used mainly for verification purposes.

Problems were solved covering the following:

Annuities:

Ordinary

Due

Deferred

Sinking Funds for:

Retiring Debts

Replacement of Assets

Perpetuities

Effective Interest

Amortization of:

Debts

Premium on Bonds

Discount on Bonds

Valuation of Bonds:

Single Issues

Serial Issues:

Simple

Deferred

Redeemable at:

Par

A Premium

Provision for endowment funds for the maintenance and replacement of a gift to an institution.

Depreciation Methods.—Depreciation calculated according to the annuity and sinking fund methods was studied and illustrative problems were solved.

The composite life of the assets of a plant and the amount which could be expended on an asset to extend its useful life without increasing the periodic depreciation charge was demonstrated by the use of problems.

Banking.—The training in bank auditing and accounting has been improved by the addition of various forms and records.

A collateral loan card file has been prepared on a type of card used by one of the local banks. Collateral notes and stock certificates have also been prepared. By using discarded confirmation blanks the students were able to perform all of the operations of auditing collateral loans. This included preparing the confirmations from the loan cards, reconciling the total thereof with the amount shown on the bank's statement, examining and comparing the notes and collaterals with the carbon copies of the confirmations, pricing the collaterals and calculating margins. The notes and collaterals differ from the loan cards in many instances, thereby affording the students practice in noting and clearing exceptions.

A portfolio of commercial paper has been prepared for examination and the preparation of confirmations.

A stock certificate book containing 300 certificates, canceled and unissued, and stubs gave the students practice in the verification of the stock outstanding and the examination of canceled certificates.

Approximately one hundred mortgages, bonds and warrants, declarations of no set-off, guaranteed searches and title and fire insurance policies which were loaned to us by a former member of the staff, enabled us to give the students definite instructions as to the examination of those documents.

This year we added to our banking set a depositors' card ledger of 500 accounts, the total of which is in agree-

ment with the amount shown on the bank statement. From this card ledger adding-machine trial balances and schedules of overdrafts were prepared.

Money counting and adding-machine drills were given until the students became proficient.

Brokerage.—Accounting forms for a stock and bond broker have been obtained and a set of books established. The plan is to enlarge and improve the set from year to year so that the students may obtain first-hand knowledge of brokerage accounting and auditing. Box securities were prepared for examination and comparison with the long and short book. Confirmations were prepared for loans with banks, mortgages payable, open transactions, safe-keeping securities, bank accounts, customers' trading accounts, bills discounted, and syndicate, joint, depositors and carrying accounts. The checking of the long and short book (stock ledger) by the students impressed upon them the importance of this record in a brokerage house.

The brokerage set contains many important features of our largest brokerage clients' accounting records. The audit working papers were prepared and indexed the same as in practice, making them valuable for future reference and study.

"Wall Street Accounting" by Todman and "The Stock Market" by Huebner were used for text and reference purposes.

Knox-Davis Manufacturing Co.—This is a bookkeeping set containing material for the students' practice work in keeping the records of a corporation engaged in trading and manufacturing. The records used were general journal, cash book, sales journal, sales returns and allowances journal, purchase journal (used only for one month), voucher register (used after discontinuance of

the purchase journal), general ledger, sales ledger and purchase ledger.

In addition to a training in some peculiarities of manufacturing accounts, the purpose of the set is to give the students practice in handling some of the larger problems of accounting which are not of daily occurrence. In the first part of the set considerable detail is given to provide a necessary minimum of practice in the summarization and posting of the different books of original entry. After this the ordinary transactions are given in condensed form to save unnecessary repetition. In the use of the columnar journal the student must be careful to make the entries in the proper columns, otherwise the controlling accounts will be incorrect.

The accounting questions involved in the preparation of the set were solved by consulting various reputable authors, such as Dickinson and Kester. The books of each student were audited and reported upon by two other students.

Iron Works' Accounts.—The set of books of an iron works (now defunct) were excellent for practical training. Trial balances of the general ledgers before closing were taken and no little difficulty was experienced by the students at their first attempts.

Trial balances of the accounts receivable were taken at various dates. These trial balances were run on adding machine tapes, except when analyses of the balances were desired. In the latter instance trial balances were prepared on three-column paper.

Schedules of bills payable were prepared from the bill books. As it was unnecessary to make footings and check postings in many cases in order to obtain a make-up of the items in the balance the students received some very practical training.

These records are representative in many respects of those found in practice and gave the students some ideas concerning the difficulties which they will encounter on the staff.

The addition of other accounting records would facilitate the teaching of auditing.

The past two years' experience indicates that the students progress more rapidly when using problems and actual accounting records than when attempting to visualize a condition from the reading of a text book. The students have used the text books as collateral sources of study, obtaining all the information possible on the problem at hand. Study and research outside the classroom has been encouraged.

Use Time Wisely

From The F. & H. News

When time began we do not know. When it will end we do not know. The only thing we do know about it is that we are bathing in it now.

"If you value life," said St. Benjamin of Philadelphia, "waste not time, for time is the stuff that life is made of."

Treat your time as Hetty Green did

her money. Don't use it foolishly.

Four things come not back: The sped arrow; The spoken word; The lost opportunity; Time that is past.

A new arrow can be fashioned, wounds caused by foolishly spoken words may be healed, new opportunities are bound to come, but time that is past is gone beyond recall. Use time wisely.

Bowling Green Accounts

Christopher Morley, who writes that entertaining literary column in the New York *Evening Post* captioned "The Bowling Green," bringing with it recollections of the leisurely recreation of the citizens of New Amsterdam, should be looked upon as a brother in spirit of the accounting fraternity. Financial statements and works on accounting appear to attract his attention and awaken his sympathetic interest.

The following is taken from an article on "Santa Claus's Footprints," written shortly before Christmas, about the down-town district:

For at Christmas time all we merchants try to put our best feats forward. The pastry chef at Schwartz's on Church Street makes a windmill of sugar and puts it in the window. The serious-minded Ronald Press, on the ground floor of our own building, is as merry and blithe as anyone, and displays such books as *Bed Time Stories for Bookkeepers* and *What a Young Accountant Ought to Know* nicely wrapped up in broad red ribbons. The shrill little bells and the thudding tambos of the Salvation Army are briskly at it on every corner, where the handsomest of the Army's young women have been draped in red flannel (not as warm as it looks, we sometimes fear, at those windy angles). "And the tambourines" (as Vachel Lindsay said in his poem) "jing-jing-jingled in the hands of queens."

Speaking of Books for Business People, we couldn't help thinking of our jolly neighbor, the Ronald Press, when we read a charming letter that Sir Kenelm Digby (under date March 20, 1642) wrote to Sir Thomas Browne, the author of *Religio Medici*. Apologizing for having presumed to take issue with the learned doctor on some metaphysical matters, Sir Kenelm delightfully wrote:

To encounter such a sinewy Opposite, or make Animadversions upon so smart a piece as yours is, requireth a solid stock and exercise in school learning. My superficial besprinkling will serve only for a private letter, or a familiar discourse with Lady auditors.

A Familiar Discourse with Lady Auditors—what a jovial title that would be for a book on the arts and mysteries of accounting.

The following appeared in the *Post* at the end of December last. The very unconventional and ingenious form of financial statement prepared by Mr. Morley is worthy of the admiration of the professional accountant.

ANNUAL FINANCIAL REVIEW

We promised to print today our annual financial diagnosis, which, to be professional, we shall put in the familiar form of a

STATEMENT OF CONDITIONS

of the *Bowling Green* at close of business
December 30, 1922

RESOURCES

Doughnuts (sinking fund) sent us as a Christmas present by the Ware Coffee Shop	6
Equipment, objets d'art, and rolling stock, including stamp-steaming apparatus	\$350
138 books sent us by publishers, not yet sold to Mendoza's Bookshop, estimated as a cash reserve	\$10
Unprinted contributions	567
Waste basket (purely formal estimate; actual value far more)	\$1000
Stamps steamed from clients' envelopes	\$18.64
Invitation to lunch, given us by the Editor of <i>Snappy Stories</i> , estimated at	\$1.25
Unused tickets for the Woolworth Building swimming pool	3
Surplus of Jedediah Tingle Fund*	\$8
*(See below for explanation.)	
Tumbler, borrowed from the office of the <i>Literary Review</i>03
1 sack of <i>Whale</i> smoking tobacco, given us by a seafaring man, but too powerful for our palate25

LIABILITIES

Unanswered letters	323
Manuscripts of books sent us by authors with request to find a publisher for them	3
Reserve to cover depreciation of unpublished contributions	\$15.00
Letters of reproach, indignation and censure from clients, which should be given a cheekturning answer	68

Dr. Johnson's Dictionary, Vol. I, borrowed from the Proofreading Department.... 1
Reserve fund to cover Lawyers' fees in case of possible libel suits..... \$15

* * * *

It's a queer thing. There must be some more liabilities, but at the moment we can't seem to think of them.

We call the attention of the stockholders to this balance sheet, which seems to us to show a healthy margin on the good side.

There is, however, one item in the above accounting that requires an explanation. We have spoken before of Mr. Jedediah Tingle, the generous and charming pseudonym who makes it his pleasure to send round small checks with accompanying letters that are genuine works of art to surprise people who have done something he approves. We have met and talked with Mr. Tingle, but do not know his real identity, nor have we any desire to learn it, since his greatest fun in life is in his innocently mysterious way of conferring unexpected pleasures.

Last summer Mr. Tingle went abroad, and one day we got the following truly delightful letter from him:

On board R. M. S. *Berengaria*.

We are abaft the hind legs of Ireland and the turbulent Celt seems to have kicked up a sea that until today has been sleepy and indolent—hence this rocky writing.

Am finishing some neglected correspondence, including two or three Jedediah Tingle letters that could not be squeezed into the crowded minutes of the last day or two on shore.

While thinking of the peace that has encompassed me since I left (with only 74 passengers to 918 feet of ship, to none of whom I am more than a 1-74th of the first class complement) I have felt a gnawing desire to do something for someone—an anonymity like myself, but less favored.

I don't know of any better way of accomplishing this purpose than to make the Bowling Green my ambassador, so I am inclosing a check for \$50, asking you to spend it where it will do good, bring happiness or solace unknown to me and me unknowing.

Faithfully yours,

JEDEDIAH TINGLE.

* * * *

Now this, you will perceive, was a trust of a peculiarly honorable sort, and naturally the disbursements had to be conducted with delicate care to be worthy of Mr. Tingle's

purpose. You will admit that it is not possible or advisable for us to explain in detail how the money has been expended. There is only one item in the budget about which we feel there might be some dispute; though even there, if we correctly read the heart of the gallant Tingle, we think he would have approved.

* * * *

But, by the way of wishing the unknown and great-hearted Jedediah a Happy New Year, we had hoped now to be able to give a final account of just one item in the fund. We took into our confidence the Disbursing Committee of the Three Hours for Lunch Club (this was several months ago) and after considerable argument it was decided to dispose of \$5 of the Tingle gold mine in the following manner: We went to a remote second-hand bookshop—in another city, to avoid detection—and hid a five dollar bill between the pages of a certain book. This book the committee chose with great care, picking out a volume that would not be likely to be examined except by some extremely deserving person. If the bookseller himself should find it, well and good; we knew him to be the sort of bookseller who well deserved the little surprise. And if it were found by a casual Rambler in the shop, equally good—for the book (we repeat) was one which only the discerning and pensive would be likely to look through. We shall please ourself by withholding the title of the work.

* * * *

At regular intervals since that time a trustworthy representative of the club has visited the shop. Each time cautiously peeping into the book (we made a mental note of its position on a certain shelf) the \$5 was seen to be still there, undiscovered. But here is the climax. (It is pleasant how artful the plain truth can be.) The other day the committee visited the place to see if the hoard had vanished, so that the item could be written off the ledger before the end of the year. And, for the first time in recorded history, the shop was closed. On the door was a notice, written in a hand that seemed to us to show signs of excitement. It said:

CLOSED

Will be back about four o'clock

Ah, ha! said the members of the club to themselves. Bless his heart! He's found it and gone out to celebrate. And they returned to their tasks greatly pleased.

This very incomplete report is respectfully submitted to Mr. Jedediah Tingle.

CHRISTOPHER MORLEY.

The L. R. B. & M. Journal

Published by Lybrand, Ross Bros. and Montgomery, for free distribution to members and employees of the firm.

The purpose of this journal is to communicate to every member of the staff and office plans and accomplishments of the firm; to provide a medium for the exchange of suggestions and ideas for improvement; to encourage and maintain a proper spirit of cooperation and interest and to help in the solution of common problems.

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The Long Road

There is before the accountant a long and never-ending road which he must travel to obtain the information essential to his professional excellence. This outlook need not be disheartening; instead, it is encouraging. At the end of each day's well-directed travel along this road, the accountant will find a handsome reward for his effort in the knowledge that he has added to his usefulness.

Last year Mr. Bacas of the New York Office called attention to the great advantage of reading or re-reading seriously works on economics, commercial law, costs, and other accounting subjects. The needs and advantages of continuous study have not since lessened, and it seems quite timely to revive the thought. Elsewhere in this issue the basic books then suggested are re-stated. With the sincere purpose of being perhaps modestly helpful to those of our staff who have completed a course of studies or are well posted on the basic subjects mentioned, the following books are suggested as opening the way to more advanced reading:

Economics:

Haney, Business Organization and Combination.

A good book on the modus operandi of large corporate combinations.

Accounting:

Dickinson, Accounting Practice and Procedure.

Montgomery, Auditing Theory and Practice, Volume 2.

Kester, Accounting Theory and Practice, Volume 3.

Mr. Dickinson's book is valuable in its treatment of basic principles involved in the preparation of income statements and balance sheets. The works of Montgomery and Kester give exceptional insights into various types of businesses.

Banking:

Westerfield, Banking Principles and Practices, Volume 1, 2, 3 and 4.

In these volumes the complete theory of modern banking is clearly explained and its application and sound practice treated in detail. (Volume 5 of Mr. Westerfield's work treats extensively of foreign exchange.)

Estates:

Conyngton, Knapp and Pinkerton, Wills, Estates and Trusts.

This work deals with problems of law, taxation and accounting as applied to the passing of property between generations.

Federal Taxes:

Montgomery, *Income Tax Procedure, 1923.*

Holmes, *Federal Taxes.*

The subject matter of these works of Montgomery and Holmes parallel one another to a considerable extent. Perhaps the difference which might be noted in the two works is the tendency of the former writer to include the accountant's viewpoint, as well as the legal, whereas the latter leans more exclusively to the legal phases of the subject.

Costs:

Church, *Manufacturing Costs and Accounts.* Nicholson and Rohrbach, *Cost Accounting.*

Mr. Church approaches the subject of costs as an industrial engineer. The latter book might be described as an accountant's handbook on costs.

Systems and Organization:

Knoeppel, *Installing Efficiency Methods.* McKinsey, *Budgetary Control.*

Modern tendencies have definitely associated proper budgetary methods with any complete plan of system and organization. One has become inseparable from the other, hence, the two references as given.

Quite likely the reader may in a moment of haste and with a rather deprecatory slam turn aside from such a list of books with the thought "I've read 'em." Even so, may he not have forgotten some of that which he had read? Then again, let the hasty beware! For while this list was prepared merely as a suggestion of interesting and informative authors, it includes also at least one book which most of us can hardly have read as it is just off the press.

The writer has found the Accountants' Index a fruitful source of information on special topics. Its compilers have rendered the accounting profession a valuable and enduring service.

R. F. GROVER,
New York Office.

Personal Code of Ethics

From The Pace Student

Ethics has been defined as the "science of right conduct and character; the science which treats of the nature and grounds or moral obligation, and of the rules which ought to determine conduct in accordance with this obligation; as the doctrine of man's duty in respect to himself and the rights of others."

We often hear of the ethics of this or that profession. The established professions have their various ethical codes to which they insist that their members conform. An individual system of ethics which a man works out for himself will be of as much assistance to him in his business and professional relations as the ethical code which a particular profession may adopt. If we have a doctrine to which we can make all our personal relationships conform, we are relieved of the responsibility of deciding, separately, our course of action with respect to each situation which may arise.

This should not be a code of expediency, used in the worst sense of the word, but a code of duty, of right conduct. If a man adopts such a code, and lives up to it, there will be a certain consistency in all his actions in the affairs of life. Everything will tie back to his ethical code. His duty with respect to himself and the rights of others will be clearly and definitely established in his mind. What a help this will be in meeting the manifold situations and in solving the countless problems which a man must meet in the course of his business career.

Let a man's ethical code be right, and his actions will be right. The results, then, will largely take care of themselves. The definition with which we began may be read a second time. It may be studied and assimilated with profit.

Some More If's

(With Apologies to Kipling)

<p>If you can keep your head when all about you Have gone (to use a term of slang) "cuckoo"; If you can trust yourself, when all men doubt you, To get the gist of Section 202; If you can wait and not be tired by waiting, As in some desk your claim for refund lies; Or stand before the Tax Bureau, debat- ing, And yet don't look too good, nor talk too wise;</p> <p>If you can dream—and not make dreams your master, In fact, if you can stay awake at all Assimilating Income Tax Procedure, Or Corporation Trust or Prentice Hall; If you can bear to see the brief you've written Given (to quote from slang again) "the air," And take the few short lines that were not smitten, And stoop and build them up, without despair;</p>	<p>If you can make one heap of regula- tions, From 1909 to 1923, And pick, without the average hesita- tions, The one that fits your case entirely; If you can say "Good-bye" to wife and kiddies From New Year's 'til the day song birds arrive, And substitute for opera, golf and ditties A résumé of C. B.'s 1 to 5;</p> <p>If you can talk with timbermen and miners, In terms which will not cause a vacant stare, Get all the facts, together with the signers, For filing a Department Questionnaire; If you can fill each unforgiving minute From early morn 'til night-time after one, Yours is the Earth and everything that's in it, And—which is more—you'll be a Tax Man, son.</p> <p style="text-align: right;">H. E. BISCHOFF, New York Office.</p>
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To Be or Not to Be a Business Woman

From Life

The millionaire's daughter had always had everything she wanted. She attended a Socialist lecture by mistake one day. She was bitten by the germ of democracy and decided she must work. Through a friend of her father's she got a job in a bank at the munificent salary of fifteen dollars a week. She was enraptured. She decided that she must stoop to conquer, so spurning the motor she went down on the subway. The crowd got on her nerves. She lost a train trying to buy a ticket. That night she bought ten dollars' worth of

tickets and nearly caused a riot holding up the crowd at the window. She put them in her one-hundred-and-twenty-five-dollar beaded bag and left it on the train. She was perfectly sure the horrid man next to her stole it. The next morning she came to work in her father's cretonne-upholstered ten-thousand-dollar limousine. In the course of the day the office boy confidentially inquired "who belonged to the Tin Lizzie with the wall-paper lining." She decided that the atmosphere was degrading. She resigned.

BUSINESS WIT and HUMOR

Banking

Lady (at bank teller's window): I wish to open an account with you.

Teller: All right, madam. How much do you want to deposit?

Lady: Why, nothing! I want to draw out fifty dollars.—*Life*.

Student: A fortune-teller told me that I had a lot of money coming to me.

Sportsman: I had rather hear a paying teller say that!—*Judge*.

HELEN INDORSES THE CHECK—Helen had just entered as a freshman in college and was away from home for the first time. She had received her first check from her mother for college expenses and was at the bank window presenting it for the cash. The teller looked at it and said: "You'll have to indorse it." She—sweet young thing that she was—looked at him innocently, but plainly embarrassed and puzzled. He repeated, "But you'll have to indorse it."

She still looked puzzled, and finally said: "But it's from my mother!"

Then the bank teller elaborated on his statement and tried to make everything clear. "Yes, it's from your mother, and you will have to turn the check over and indorse it so your mother will know that you got the money." With a bright look Helen took the check, walked over to the desk and in a few minutes returned with it to the window to get the cash. When the teller turned the check over this is what he found:

DEAR MOTHER:

This is to let you know that I got the money. I love school very much. Don't forget to wear your sweater so you won't catch cold on these cool evenings.

Lovingly,

HELEN.

—*Judge*.

Currency

WHERE CASH IS BULKY.—A story is told of a continental traveler who brought with him into the restaurant car an enormous bag which he deposited by the side of the table.

The conductor promptly rebuked him, saying, "You musn't bring that bag in here. You must put your luggage in the van."

"That's not my luggage," was the reply. "I'm going to Austria; that's my purse."

—*Toronto Telegram*.

CHANCE FOR A TURK—FOR SALE—A good place to live and have 5 families. Very nicely situated, always rented, good investment, don't let it go by.—Classified ad in the Watertown Times.

Sweet Young Thing (looking up from market reports her glance has happened on): Dad, did par go up on the Exchange today?—*Life*.

Concealed Assets

"My face is my fortune," said a New Orleans peroxide blonde to a casual acquaintance.

The young man gave her face a close scrutiny, then he shook his head doubtfully.

"Madam," said he, "I believe you are concealing some of your assets."—*The Lawyer and Banker* (New Orleans).

Overvalued Assets

Daughter: It is perfectly silly for you to object to my marrying Herbert!

Father: Well, what has he got?

Daughter: Why, he—he, has pretty teeth, dark, wavy hair, and—and, the softest brown eyes!—*Judge*.

Hymen, Inc.

We take pleasure in giving more circulation to this tiny item of news clipped from the New York Sun:

Newly Wed Pair Applies to Be
Incorporated

"Edward Jay and Amy Howard Jay, Inc." Capital is fixed at \$5,000, and the object is "to lead a happy married life, from which either may withdraw upon due notification to other party."

Here is a possible solution of the problem of wedlock in a feminine age. But several questions immediately suggest themselves. Who, for example, furnishes the cash, and who the goodwill? How is the stock divided—fifty-fifty, or does one or the other control? If one decides to withdraw, will the other buy his or her holding, or will it be dumped on the market? And supposing children result, will they be permitted to buy into the corporation?

It is easy to foresee one striking advantage to be derived from this form of family—it can issue stock dividends and escape the income tax.—*Judge*.

A FALSE NOTE.—A British tar, home on leave and celebrating the occasion, had got himself into a dilemma. He had hired a taxi, only to discover when approaching his destination that he was penniless. He had dined and wined, not wisely, but too well. But the British navy is a training-school of resourcefulness. He caught up the speaking tube, shouted "Stop!" and jumped out. "I just want to pop into this tobacconist's and get some matches," he explained to the driver. "I've dropt a pound note somewhere in the cab and can't find it in the dark." He entered the tobacconist's, and as he did so the cab and its driver vanished into the night, as he had anticipated.—*The Argonaut*.

Investments

"They say few men ever really make much money before they're forty. I wonder why?"

"Probably because it takes them about that long to discover the folly of investing in oil stocks and mines and other get-rich-quick schemes."—*Detroit Free Press*.

If we really wish the mercury to go up and to stay up in these days of coal shortage, the obvious thing to do is to have it listed on the New York Stock Exchange. Then let it be rumored that a lot of "wise ones" are quietly buying it.—*Judge*.

Parable of Finance

By Carr Liggett

Jones was a wise young sporting bird,
The kind all well-bred bankers hate;
He bought Synthetic Cheese Pfd.
And other stocks that palpitate;
He thought all low-yield bonds absurd—
The more he thought the less he ate.

But Simpson read the bankers' ads,
And did just what they said to do;
He used deposit slips in pads
And let the interest accrue.
The bucket brokers came in scads,
And likewise they departed, too.

And so when both their lives were spent,
And they had left earth's griefs and
squalors,
A lesson was made evident
To cautious men and easy fallers;
For Jones he died without a cent,
While Simpson had \$800.00.

—*Judge*.

Sales Department

An enterprising tradesman sent a doctor a box of cigars which had not been ordered with a bill for \$6. The accompanying letter stated that "I have ventured to send these on my initiative, being convinced that you will appreciate their exquisite flavor."

In due course the doctor replied: "You have not asked me for a consultation, but I venture to send you three prescriptions, being convinced that you will derive therefrom as much benefit as I shall derive from your cigars. As my charge for a prescription is \$2 this makes us even."—*Evening Bulletin*.

"I can't do a thing with Jones," said the manager. "I've had him in three departments and he dozes all day long."

"Put him at the pajama counter," suggested the proprietor, "and fasten this card on him:

"Our night clothes are of such superior quality that even the man who sells them cannot keep awake."—*Epworth Herald*.

A BETTER BID.—"Yes," said the specialist, as he stood at the bedside of the sick purchasing agent, "I can cure you."

"What will it cost?" asked the sick man, faintly.

"Five hundred dollars."

"You'll have to shade your price a little," replied the purchasing agent. "I had a better bid from the undertaker."—*F. & H. News*.

"Willie, let me hear you count up to ten."
"One, two, three, five, six, eight, nine, ten."
"Wrong! You skipped two numbers."
"Well, that's the way my father counts."
"Is your father an expert accountant?"
"No'm. He sells gasoline."—*National*.

A LARGE ORDER.—"I want a dress to put on around the house," said the lady in the department store.

"How large is your house, madam?" inquired the new clerk.—*Hollywood High School News*.

TAKE NO SUBSTITUTE.—"How is this," asked a young woman of a shopkeeper, "you are asking just as much for these thermometers as you did for those you showed me last August."

"Certainly, Miss," replied the merchant, "they're the same thing."

"They're nothing of the sort!" she replied, triumphantly. "Why, those you showed me before had twice as much mercury in them!"—*F. & H. News*.

CONSCIENTIOUS ADVERTISING.—There is one honest brokerage house. It advertises: "Let us place your name on our wailing list."—*Associated Editors.*

Credits and Collections

The days of Columbus were not so bad. If you had a charge account abroad they couldn't do much better than send you bills quarterly.

And you always could write: "I want you to know that I would have answered your letter sooner, but unfortunately it was delayed a year in transmission." You can't get away with that any more. We've tried it.—*Judge.*

"Please, sir, father wants to know if it is true that there is such a thing as a tobacco trust?"

"Yes, my lad, there is," replied the man.

"Well, father would like to be trusted with a half-pound box."—*Stray Stories.*

Financier: I haven't any more change now, waiter; I'll give you your tip tomorrow.

Waiter: Sorry, sir but I'm afraid I am not in a position to give credit.—*Passing Show (London).*

"Why did they select the stork to couple with the doctor? Why not the eagle or the owl?"

"The stork is the bird with the biggest bill."—*Kansas City Journal.*

Collector: This bill has been running for over a year.

Short: Don't I know it? Look how it has followed me around!—*Judge.*

Agent: When are you going to pay for that sewing-machine I sold you?

Mrs. Deerie: Pay for it? Why, you said that in a short time it would pay for itself!—*Kansas City Star.*

Gladys: My dressmaker wrote to dad that she would make no more dresses for me until her account was settled.

Helen: And what did he say?

"He just sent her a letter of thanks."—*Boston Transcript.*

George and Grace Martin were making their home at the Hotel Allcorn. George was on the road most of the time and was becoming quite careless about leaving Mrs. Martin money for her expenses while he was away. She wrote, reminding him of her need of money, that the proprietor insisted on her bills being paid. He replied that he did not have the money, but enclosed a thousand kisses. Another week and no money and Grace wired George: "You needn't mind to send me the money. I gave the proprietor one of the kisses, and he was satisfied."—*Judge.*

Efficiency and Economics

At the present price heaping coals of fire on anybody's head is expensive business.—*Judge.*

An authority on the fuel situation declares that we must "learn to cke out by burning oil, gas, electricity and what not." We are glad he mentioned the whatnot. Mary, hand us the ax.—*Boston Transcript.*

Employer: Why did you take down that "Do It Now" sign hangnig over your desk?

Clerk: I couldn't stand the way the bill collectors looked at it when I told them to call again tomorrow.—*London Mail.*

Hanging on a strap is a chance for exercise of the arm muscles, while the swinging of the train gives exercise to the muscles of the leg.—*A physical culturist.*

What public service corporation, with a crowded car problem, will be first to engage Walter Camp as director of the strap-hanger's daily—morning and evening—dozen?—*Judge.*

AN ERROR IN CALCULATION.—*Host* (to guest, a retired doctor): And did you ever make a serious mistake in your diagnosis?

Guest: Yes, one serious one—I once treated a patient for indigestion and she could easily have afforded appendicitis!—*The Passing Show (London).*

THE PRINCIPAL ATTRACTION.—*Aberdonian:* Hoo did I like London? Grand! Yon's the place for me. Every time ye go into a restaurant ye find tuppence under yer plate!—*London Daily News.*

Waiter: Hey! What do you mean by stuffing that tablecloth in your pocket?

Guest: Well, you charged me two dollars for "cover." I thought I would take it with me.—*L'Illustration.*

An editor who started about twenty years ago with only fifty-five cents is now worth \$100,000. His accumulation of wealth is owing to his frugality, good habits, strict attention to business, and the fact that an uncle died and left him \$99,999.—*Editor and Publisher.*

Legal Department

NATURAL ERROR.—An American in Paris has been arrested for attempting to sell a hotel he did not own. Possibly he thought his receipted bill was a transfer of title.—*London Opinion.*

First Lawyer: And did his speech carry conviction?

Second Lawyer: It did. His client got five years.—*Princeton Tiger.*

INEXPERIENCED.—"Moses," said Uncle Eben, "was a great lawgiver. But de way he was satisfied to keep de ten commandments short an' to de point shows he wasn't no regular lawyer."—*Washington Evening Star.*

"What profession is your boy Josh going to select?"

"I'm going to educate him to be a lawyer," replied Farmer Cornlossel. "He's naturally argumentative an' bent on mixin' into other people's troubles an' he might jes' as well get paid fur his time."—*Washington Evening Star.*

JOKES ASIDE.—A business man of Oakland who has many relatives well enough off, but anxious to inherit his even greater fortune, recently called in his lawyer to draw up his will. When the document was completed the client asked, "Well, Thompson, have you fixt this thing as I want it?" "I have done my best," said the lawyer anxiously. "Then there is another thing I want to ask you," continued the wealthy Oaklander, "as man to man, who do you think stands the best chance of getting my property when I cash in?"—*The Argonaut (San Francisco).*

A country farmer walked into the general store in the village. "I want," said he, "that tub of margarine and that bacon and all the other foodstuffs."

"Good gracious!" said the recently bereaved widow, who kept the store. "Whatever do you want with all them things, Mr. Giles?"

"I dunno," replied the worthy farmer, "but you know, I'm the executor of your husband's will, and Lawyer Stiles said I was to be sure and carry out all the provisions."—*Los Angeles Times.*

"THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH."—A movie actor was suing a company for an immense sum for breach of contract. Upon being asked why he demanded such a sum he replied, "Because I am the greatest actor in the world." Later one of his friends took him to task for so loudly singing his own praises. "I know," replied the actor, "it must have sounded somewhat conceited, but I was under oath to tell the truth, so what could I do?"—*The Kansas City Star.*

The prosecuting attorney had encountered a somewhat difficult witness. Finally he asked the man if he was acquainted with any of the men on the jury. "Yes, sir," announced the witness, "more than half of them." "Are you willing to swear that you know more than half of them?" demanded the lawyer. "Why, if it comes to that, I'm willing to swear that I know more than all of them put together," came the emphatic reply.—*The Christian Advocate (New York).*

"Don't move or I'll shoot," said a voice calmly to a belated burglar. "Probably you don't know that this offense can net you twenty years in prison and take all the money you have."

"Only got fifty bucks," cracked the hard-boiled.

"That'll just be enough for my advice to you to get out of here as quick as possible," replied the acceptor of the cash who happened to be an attorney.

"Defendant, take the stand," ordered the presiding judge.

"I aint no defendant, you honor," pleaded Rastus indignantly, "I's de man what did de stealen."

"Would you marry a woman lawyer?"

"No, sir. The ordinary woman can cross-examine quite well enough."—*New Haven Register.*

Another millionaire has just married a musical comedy actress. It's funny how these singers are able to catch on to the heirs.—*Manila Bulletin*.

Tax Department

A new-born baby always yells; and considering the tax burden it faces you can't blame it.—*Springfield Sun*.

A friend of ours joyfully announces that his wife has just presented him with another exemption on his income tax.

The following was overheard at the Custom House during the last week of the time allotted for the filing of internal revenue returns:

Question (by Federal Inspector): Are you the head of the family?

Answer (by a female of the species): Well, legally my husband is, but, naturally, I am!—*L. H. J.*

RARE MONTHS.—The months during which we feel free from income-tax worries are those that have a "q" in their spelling.—*Chicago Journal of Commerce*.

CAPITAL PUNISHMENT—the income tax.—*Life*.

Ashes to ashes,

Dust to dust;

If the State Tax doesn't get it,
The Federal must.

It's easy enough to be pleasant

When the nickels are piled up in stacks,
But the bird worth while
Is the guy with a smile,

When he's paying his income tax.

REMEMBER WHEN YOU MADE OUT YOUR INCOME TAX BLANK?—And along about the time you were hanging onto the ropes in a neutral corner and looking for a soft spot, came "Schedule K, Contributions." Then, oh! then, didn't you wish you had contributed to this oblong of oo-la-la? Well, brace up and turn over a new leaf, there's another tax coming next year.—*23d Street Men*.

"What's your idea of eternal retribution?"

"A profiteer worrying over his income tax."—*Washington Star*.

HISTORY BROUGHT UP-TO-DATE.—*Soothsayer* (stopping Julius Caesar on the steps of the Capitol): Beware the Ides of March, oh Caesar!

Caesar: The Ides of March—the fifteenth—ye gods! and my income tax not made up!

So, after all, Caesar did not feel so badly about it, when the senators (they were the contrary cusses, even in those days) relieved him of the necessity of making any further income tax returns.—*Business Crucible*.

ONE TEMPTING SIDE OF SOCIALISM.—Under state socialism or communism, as we understand it, none has an income, hence no income tax to pay and no income tax report to sweat over. Maybe there is something in this Bolshevik theory after all. (The auditing profession dissenting!)—*Business Crucible*.

PRACTICAL INCOME TAX PROCEDURE.—*Conscientious Burglar*: I regret to say, sir, that I shall have to ask you to take back a hundred of this; a cent more would boost my income into the 30 per cent tax class.—*Life*.

The Telephone

Villages have the only real telephone service. There you merely ring once and promptly get everybody on the party line.—*Judge*.

UP-TO-DATE.—"I call my new maid 'The Wireless Wonder.'"

"Why?"

"Because she's always 'listening-in'!"—*London Mail*.

REPAID IN KIND.—"Now I've had my revenge," said the shoe-shop proprietor to his friend, as a customer left.

"Revenge? How so?"

"Well, the young lady who just went out is a telephone operator. I gave her the wrong number."—*London Opinion*.

WITTY SUBSCRIBERS HAVE THAT WILD LOOK.—*Operator*: That line is bizzie.

Subscriber: What line is bizzie?

Operator: What line are you calling?—*Life*.

Raising Money

Mother: Johnny, why in the world are you feeding the baby yeast?

Johnny: Boo-hoo! She's swallowed my quarter and I'm trying to raise the dough.—*Hollywood High School News*.

Bill: Is it possible to confide a secret in you?

Phil: Certainly. I will be as silent as the grave.

Bill: Well, then, I have pressing need for two bucks.

Phil: Worry not, my friend. It is as if I had heard nothing.—*F. & H. News.*

Husband: There's a money panic, my love.

Wife: Normalcy, at last.—*Judge.*

Payroll, Overtime and Vacations

A laborer was digging a hole in front of the Branford Theater. An inquisitive visitor stopped to look on. "What are you digging for?" he asked. "Money," was the reply. "Money," exclaimed the astonished visitor. "When do you expect to strike it?" "Saturday," was the laconic response.

IN RE "REASONABLE COMPENSATION."—A Pennsylvania man got three years in prison for a holdup in which he got only sixty cents from his victim. At twenty cents a year, crime can hardly be said to pay.—*Cleveland Plain Dealer.*

THE OBLIGING BOSS.—*Clerk:* Sir, I'd like my salary raised.

Boss:—Well, don't worry. I've raised it somehow every week so far, haven't I?—*New York News.*

"Could you place my son in your office?"

"All right; what can he do?"

"What can he do? If he could do anything I'd hire him myself."—*Karikaturen (Christiana).*

QUALIFYING.—"So this applicant for the bookkeeper's job claims he is a college man?" asked the bank president, addressing his clerk. "Has he anything to back up that claim? Can he qualify?"

The clerk stepped to the door and returned.

"The young man says," he reported, "that with your kind permission he will come in and give the college yell."—*F. & H. News.*

CRUEL.—**Boss:** Can't you find something to do?

Office Boy: Gee, whiz! Am I expected to do the work and find it, too?—*Boston Transcript.*

DANGEROUS IF CATCHING.—"So your father is ill. I hope it is nothing contagious."

"So do I. The doctor says he is suffering from overwork."—*The Christian Register (Boston).*

LITTLE, BUT LONG.—Many a man thinks he is overworked just because he takes all day to do a three-hour job.—*Baltimore Sun.*

VACATIONS.—"What have you been doing all summer?"

"I had a position in my father's office. And you?"

"I wasn't working, either."—*Frivol.*

Fundamentals in "Installation Work"

(Continued from page 4)

system well run and used in its entirety by all the executives is far better, yes, a hundred times better than a logically correct system in every detail which, after all statements, etc., are compiled, is never used because of not being understood. Of what use is a good tool in the hands of a poor workman? We must recognize that we cannot as a rule change the personnel, at least the managerial personnel in any concern, hence, we should build our tools accordingly. The system work must be looked at as the machine-tool of the management. We must first show the management how to use this tool and then must not make this machine so complicated that it is hard to understand.

The installation man has a big responsibility which he cannot shirk. Because of this he must be well trained and have rounded experience. One, two or even five installations do not make a good system man. The practical knowledge of managerial methods and problems, of the functions and duties of each major executive in a concern, plus a knowledge of how to make a record accomplish all of its possible purposes, is necessary. He must be able to sell all his plans to the organization and this means some selling ability. As he is looked upon by the client as more or less of a super-manager, his experience and training must be such as to warrant this feeling.

To sum up, the accomplishment of a good installation is, does it spell economy or more profits? If it does not do these things either directly or indirectly it cannot be called a success.

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